

Food Assistance



Purpose

Food Assistance (FA), also known as Supplemental Nutrition Assistance Program (SNAP), is a federally funded program that provides food or benefits to purchase food for low-income Iowans.

Who Is Helped

Food Assistance

People eligible for Food Assistance must:

- Be residents of Iowa.
- Be citizens or legally qualified non-citizens (such as refugees).
- Have household incomes not to exceed 160 percent of the federal poverty level. For a family of three, that equals a gross annual income of about \$31,000.

In SFY14:

- An average of 413,838 Iowans in 195,953 households received benefits every month, a 1.1 percent decrease from SFY13.
- 79 percent of FA recipients also receive Medicaid or Family Investment Program (FIP) benefits.
- The average recipient is a 26-year-old Caucasian female.

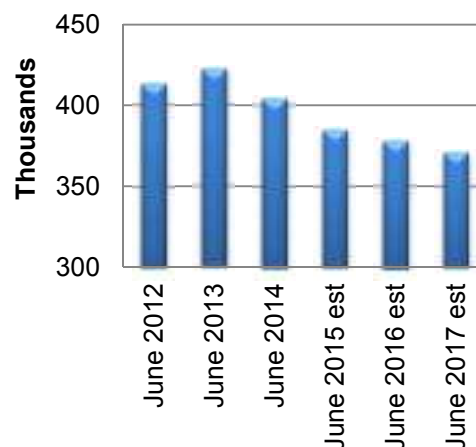
Supplemental Food Programs

The Commodity Supplemental Food Program (CSFP) and The Emergency Food Assistance Program (TEFAP) provide food to low-income Iowans.

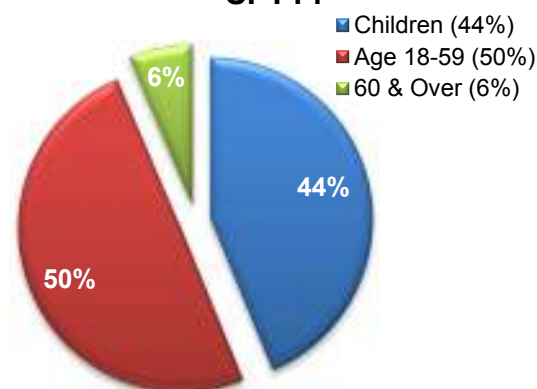
- An average of 2,933 Iowans per month were served through CSFP and 970,000 pounds of commodities were distributed in SFY14.
- 95 percent of those served by CSFP are elderly.
- TEFAP served an average of 103,000 individuals per month and distributed 4.5 million pounds of food during SFY14.*

* The number served in prior years' reports represented a quarterly average rather than a monthly average. Monthly averages will be used from here on to be consistent with other data reported.

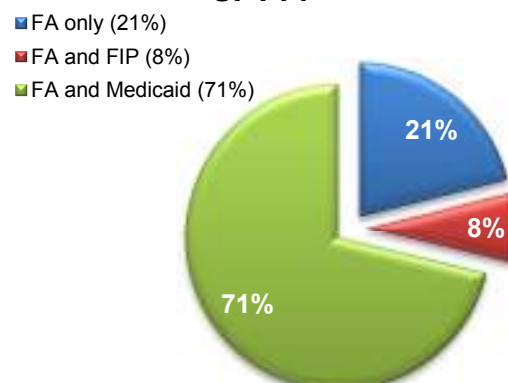
FA Recipients



Age of Recipients in SFY14



Recipients by Program in SFY14



- ✓ *Having children is not a requirement to receive Food Assistance benefits.*
- ✓ *People incarcerated more than 30 days are not eligible. Their families may continue to receive benefits if the household still meets eligibility requirements.*

Services

Food Assistance

- Food Assistance benefits assure low-income lowans have access to food.
- Benefits may only be used to purchase unprepared food and non-alcoholic beverages.
- All Food Assistance transactions occur electronically on Electronic Benefit Transfer (EBT) cards. The card does not have cash benefits and will not work at ATMs.
- EBT cards may be used to buy food at 129 farmer markets, providing easy access to the freshest food Iowa has to offer.

Supplemental Food Programs

- The Commodity Supplemental Food Program (CSFP) distributes commodities directly to recipients, most of whom are elderly.
- The Emergency Food Assistance Program (TEFAP) distributes food through food banks to low-income lowans.

Employment and Training Program

This is a voluntary program through Food Assistance offering job seeking skills, classroom training, and structured employment search.

Nutrition Education

Written educational materials are provided to FA recipients to promote healthy food choices.



Average Benefits SFY14:

- \$234.18 per month per household
- \$110.88 per month per individual
- \$3.64 per day per individual
- \$1.21 per meal

Farmers' Markets EBT Sales



- ✓ *While Food Assistance may be used in any state, approximately 95 percent of benefits are used in Iowa or bordering states.*
- ✓ *DHS and the Department of Education partner to identify children who qualify for free school lunches based on the receipt of Food Assistance or FIP, or being in foster care.*

Goals & Strategies

Goal: Improve efficiency and accuracy.

Strategies:

- Continue monitoring and training on key causes of errors.
- Implement new benefit eligibility and payment system.

Goal: Assure benefits are issued timely.

Strategy:

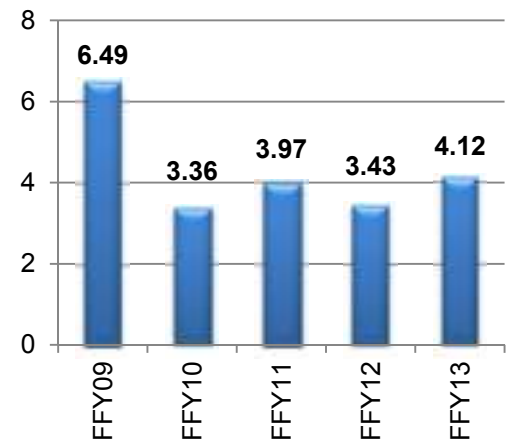
- Monitor performance.

Goal: Prevent fraud and abuse.

Strategies:

- Implement new methods to identify potential misuse of EBT cards.
- Identify and cancel benefits for ineligible individuals who are incarcerated.

Percentage of Error Calculating Benefits



In SFY12, DHS procured a new eligibility system to perform Medicaid, FA, and FIP eligibility functions. This system will also generate FA and FIP benefits.

- IABC, the current eligibility system is outdated and requires significant duplicate entries and work-arounds by income maintenance staff as well as significant time to update system coding when laws or regulations change.
- The new system will utilize current technology architecture to enable more accurate and timely eligibility determinations; more effective ways to identify potential fraud and abuse; and opportunities to link with online service applications.
- In October 2013, the new system was implemented for a portion of the Medical Assistance programs. Work continues to add the remainder of the Medical Assistance programs, FIP, and Food Assistance to the new system.

Cost of Services

The average annual FA benefit per recipient is \$1,329.

Funding Sources

Food Assistance benefits and The Emergency Food Assistance Program (TEFAP) are paid 100 percent by federal dollars. Iowa and the federal government split the administrative costs 50/50.

Nutrition Education, Commodity Supplemental Food Program (CSFP), and the Employment & Training (E & T) program are paid 100 percent with federal dollars.

The SFY16 total projected budget is \$539,393,123:

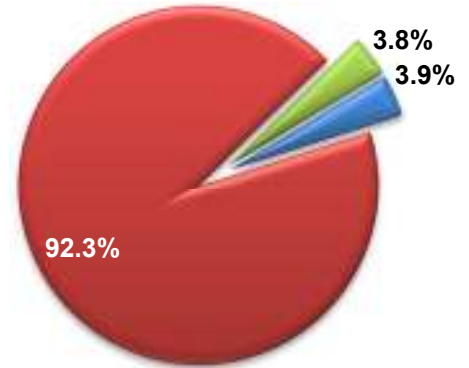
- \$518,480,478 is federal.
 - \$497,969,420 in benefits.
 - \$20,511,058 in admin costs.
- \$20,912,645 is state general fund.

The SFY17 total projected budget is \$540,240,965:

- \$518,767,927 is federal.
 - \$497,648,214 in benefits.
 - \$21,119,713 in admin costs.
- \$21,473,038 is state general fund.

SFY16 Funding

- State General Fund (3.9%)
- Federal Benefits (92.3%)
- Federal Admin (3.8%)



- ✓ *In SFY14, \$550.7 million was drawn from the federal government for Food Assistance benefits, a one-year decrease of 6.9 percent.*
- ✓ *The USDA estimates that \$9.20 in economic activity is generated for every \$5 spent on food.*
- ✓ *Both state and federal funds are used to contract with a vendor to provide EBT cards. DIA's fraud investigators also receive federal funding for FA activities.*

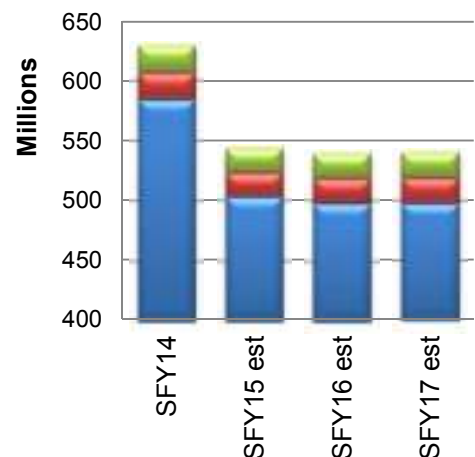
SFY16 & SFY17 Budget Drivers

There are several variables that may impact Food Assistance benefit expenditures.

- Due to an improving economy, Food Assistance enrollment appears to have peaked and caseloads are expected to continue the decrease that began in SFY14.
- Anticipated annual cost of living adjustments that increase benefit levels partially offset the effect of decreasing caseloads with regard to total annual benefits.

Total Budget Funding Mix

- State General Fund
- Federal Admin
- Federal Benefits



	<p>✓ <i>After a series of continuing resolutions extending the 2008 Farm Bill, the Agricultural Act of 2014 (P.L. 113-79) was signed into law in February 2014. In addition to reauthorizing the federal Supplemental Nutrition Assistance Program (SNAP), which provides federal funds and benefits for the Food Assistance program, the Act included a number of changes to SNAP. The department has determined that none of these changes has a significant impact on caseloads or benefits for Iowa households getting food assistance. However, the Act does include a number of provisions affecting retailers that accept Food Assistance benefits. A key example is a provision effective September 21, 2014, that prohibits states from providing point-of-sale equipment or supplies to retailers, or from paying for any EBT transaction fees.</i></p>
<p>Legal Basis</p>	<p>Federal:</p> <ul style="list-style-type: none"> • Code of Federal Regulations: 7 CFR 272.2 • The Agricultural Act of 2014 (P.L. 113-79). • Section 6 of the Food and Nutrition Act of 2014 as amended by P.L. 113-79 <p>State:</p> <ul style="list-style-type: none"> • Iowa Administrative Code, 441 IAC 65